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17 Attorneys for the Official Committee of Equity Security Holders
 18 of USA Capital Diversified Trust Deed Fund, LLC

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

19 In re:
 20 USA COMMERCIAL MORTGAGE COMPANY,
 21 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

22 In re:
 23 USA CAPITAL REALTY ADVISORS, LLC,
 24 Debtor.

Chapter 11
 Jointly Administered Under
 Case No. BK-S-06-10725-LBR

25 In re:
 26 USA CAPITAL DIVERSIFIED TRUST DEED
 27 FUND, LLC,
 28 Debtor.

In re:
 USA SECURITIES, LLC,
 Debtor.

Affects:
 All Debtors
 USA Commercial Mortgage Company
 USA Securities, LLC
 USA Capital Realty Advisors, LLC
 USA Capital Diversified Trust Deed Fund, LLC
 USA First Trust Deed Fund, LLC

STATUS REPORT ON MOTION FOR PROTECTIVE ORDER

1 Counsel for the Debtors, the USACM Unsecured Committee and the Diversified Trust
2 Deed Fund, LLC Committee have worked with counsel for Investment Partners LLC and Joseph
3 Milanowski to try to resolve disputes over the terms of a protective order that would resolve the
4 Investment Partners LLC/Milanowski Motion for Endorsement of a Protective Order relating to
5 the 144 boxes of documents that have been segregated at USACM and perhaps to other
6 documents. The parties continue to communicate (having spoken at length this morning), and
7 while they believe that they are close to reaching an agreement, they have not yet been able to do
8 so. They will advise the Court at the January 17th hearing whether an agreement has been
9 reached, and will submit a stipulated form of consent order if such a document has been negotiated
10 among the parties by then. If the form of order has not been resolved by the hearing, the parties
11 will request that the hearing be continued to January 31st, with the goal, though, of submitting a
12 stipulated form of order no later than January 22nd.

13 DATED this 16th day of January 2007.

BECKLEY SINGLETON, CHTD.

By: /s/Anne M. Loraditch
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